

Illinois Credit Union League

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VIA E-MAIL TRANSMISSION
regcomments@ncua.gov

June 30, 2008

Ms. Mary Rupp,
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, Virginia 22314-3428

Re: Comments on Proposed Amendments to Part 712, Credit Union Service Organizations Rule.

Dear Ms. Rupp:

The Illinois Credit Union League represents over 400 federal credit unions and federally insured state-chartered credit unions in Illinois. We are pleased to respond on behalf of our member credit unions to the NCUA's proposed amendments to its Credit Union Service Organizations ("CUSO") rule.

Expanding the Scope of Certain Services to Include Persons within the Field of Membership

Credit unions may invest in or loan to credit unions that primarily serve credit unions or members of credit unions. We support the NCUA's proposal that this member service requirement extends to the provision of check cashing services and electronic fund transfer services to persons within the field of membership of a credit union. Since a federal credit union may now provide such services to persons within the field of membership, these services are associated with the routine operations of credit unions and should be authorized for CUSOs.

Additional Preapproved CUSO Services

We support the NCUA's proposed revision to its list of preapproved CUSO services to include credit card loan origination, real estate settlement services, payroll processing services, employee leasing services, purchase and servicing of non-performing loans, referral and processing of denied loan applications of credit union members, and business

counseling and consultant services. NCUA's Office of General Counsel has issued opinion letters regarding most of the additional preapproved services. Including these services in the rule will provide additional clarity.

Requests for Additional Preapproved Services

NCUA proposes to delete §712.7 which provides a 60 day process for request for new preapproved activities. We oppose the deletion. NCUA states that changes may still be requested under the review process set forth in IRPS 87-2. However IRPS 87-2 provides for a rolling three year review of NCUA regulations. Changes in the financial services area can occur quickly. A three year review is not adequate.

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We appreciate the opportunity to respond to NCUA's propose CUSO rule amendments. We will be happy to respond to any questions regarding these comments.

Very truly yours,

ILLINOIS CREDIT UNION LEAGUE

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